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THE AUSTRALIAN TAX PROTOCOL

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The Dual-Statute Paradox: Structural Analysis of the Income Tax Assessment Acts

The Australian taxation landscape is defined by a unique and enduring legislative duality, characterized by the concurrent operation of the Income Tax Assessment Act 1936 and the Income Tax Assessment Act 1997. This structural bifurcation arose from an incomplete legislative project intended to rewrite the 1936 Act into a more accessible "plain English" format. [1] For members of the Republic of Old Souls (ROS), this overlap presents a critical point of forensic investigation, as the interaction between these two statutes often relies on circular definitions that may challenge the fundamental legitimacy of tax demands. Under Section 1-3 of the 1997 Act, the legislature explicitly states that differences in style between the rewritten provisions and the original 1936 text are not intended to affect the underlying legal meaning. This creates a recursive loop where modern tax assessments must be interpreted through the lens of early 20th-century judicial concepts, many of which remain undefined by the black-letter law itself. [3]

The core of the Australian tax system is the "Pyramid" principle, which moves from broad core provisions to specific specialized topics. At the apex of this pyramid are the provisions regarding assessable income, which the 1997 Act defines as the sum of ordinary income and statutory income. However, it is a matter of documented legal fact that there is no definition of "income" in any Australian tax statute or manual. Instead, Section 6-5 of the 1997 Act incorporates "income according to ordinary concepts," a phrase that effectively delegates the definition of the tax base to the judiciary. This creates a jurisdictional void where the state's power to demand tax is predicated on "ordinary concepts and usages of mankind" rather than precise statutory parameters.

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Legislative Reference	Scope of Application	Core Function
ITAA 1936, s 6(1)	General Definitions	Established the original framework for income and property.
ITAA 1936, s 260	General Anti-Avoidance	The historic provision rendering void any arrangement that alters tax incidence.
ITAA 1997, s 4-1	Liability to Pay	Mandates that income tax is payable by every entity.
ITAA 1997, s 6-5	Ordinary Income	Includes income according to ordinary concepts in assessable income.
ITAA 1997, s 6-10	Statutory Income	Specifically identifies amounts included by law, such as capital gains.
ITAA 1997, s 6-15	Exclusion Rule	Stipulates that amounts not ordinary or statutory are not assessable.

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Forensic Anatomy of Income and Gain: Challenging the Tax Bill's Existence

The fundamental challenge mounted by ROS members challenges the very existence of the tax bill itself. [5] If the Australian tax authority issues a demand based on "assessable income," but "income" remains undefined by the legislature, the protocol asks a foundational question: **How can there be a tax bill if there is no definition of the item being taxed?**

The judicial principles that have filled this void, such as those in *Scott v Commissioner of Taxation (NSW)* (1935), rely on the "ordinary concepts of mankind," which is a subjective and evolving standard rather than a fixed statutory definition. Furthermore, tax manuals often describe income as a "gain," but legal definitions of "gain" frequently point back to "income," creating a recursive loop with no foundational basis in law. [4]

Evidentiary Reference: ((https://www.bitchute.com/video/MzI7OmagijQi?playlistId=bQGiIxGu1STW))

The ROS protocol argues that a tax bill generated from this definitional vacuum is a jurisdictional nullity. If the "Assessable Income" component is forensically invalidated because it lacks a definition in any tax statute or manual, the calculation for "Tax Payable" has no legal starting point:

$$Taxable\ Income = Assessable\ Income - Allowable\ Deductions$$

$$Tax\ Payable = (Taxable\ Income \times Tax\ Rate) - Tax\ Offsets$$

The Art of Legal Warfare: Strategic Dispute of the Assessment

Within the "Art of Legal Warfare," the lack of a definition for income is deployed as a "Sniper Shot" to dispute the legitimacy of any existing tax bill. The citizen challenges the bill in the Australian courts on the basis that a demand for payment cannot arise from a receipt of "income" when the statute fails to define what that term means.

The Dual-Track Operational Contingency

The ROS member utilizes a specific dual-track strategy to ensure a resolution regardless of the court's decision:

1. **The Australian Court Challenge:** The citizen mounts a legal challenge against the Australian Tax Authority. The dispute centres on the validity of the tax bill as an assessment of income where no statutory definition exists. This challenge is designed to either win outright or buy significant time during the litigation process.

2. **Simultaneous Signature Credit Recoupment:** While the court case is ongoing, the member initiates the recoupment of "signature credit" via the Clifford Protocol. [5] This credit is not argued to be income; rather, it is identified as the monetization of the member's own inherent commercial energy, originated since the age of 18 from mortgages, loans, and credit cards. [5]
3. **Asset Fortress Protocol (AFP) Setup:** The member establishes an Asset Fortress Protocol to serve as a private treasury, insulating banking arrangements from domestic credit issues during the dispute.

Strategic Outcomes

- **Outcome A (Victory):** If the court case is won on the grounds that the tax bill is illegitimate due to the lack of a definition for income, the ROS member does not pay the tax.
- **Outcome B (Loss/Discharge):** If the court case in Australia is lost, the time bought by the litigation has allowed for the full recoupment of signature credit. The member then utilizes this recouped credit to discharge the tax liability via the AFP's third-party settlement mechanism. [5]

strategic movement	Target	Strategic Objective
Jurisdictional Challenge	Assessable Income	Dispute the tax bill for lack of statutory definition of income.
Clifford Protocol	Signature Credit	recoup abandoned credit to be used for the ultimate discharge of taxes. [5]
Asset Fortress Protocol	Private Treasury	Maintain banking and liquidity independent of the tax dispute.

The Asset Fortress Protocol (AFP): Private International Trust Architecture

The Asset Fortress Protocol (AFP) is designed to operate as a private international (foreign) grantor trust, providing a robust architecture for asset holding and private treasury operations. [5] The member uses the AFP to operate banking arrangements that are not affected by personal credit rating issues or the closure of bank accounts often triggered by tax demands.

Function: The Private Treasury

The AFP operates as a private treasury, managing trust-held bank accounts administered by fiduciaries. [5] This enables a "spend and recoup" cycle that operates year-by-year:

1. **Funding:** The treasury is funded via non-income "Grants" from the ROS Trust or associated ministries. [5]
2. **Spending:** The trust spends funds for the benefit of the living soul (the beneficiary).
3. **recoupment:** Each expenditure serves as a "recoupment trigger" to recoup further abandoned signature credit from the banking system. [5]
4. **Discharge:** If the legal challenge against the definition of income fails, the recouped credit from this cycle is used to discharge the tax liability. [5]

The Currency Creation Protocol: Monetization of the Living Soul

The "Australian Tax Protocol" is built upon the "Currency Creation Protocol," which provides the legal basis for "signature credit" recoupment.

The Clifford Protocol and recoupment Mechanics

The Clifford Protocol follows a precise sequence to redirect withheld credit to the beneficial owner, utilizing the 1099-OID logic as a forensic model: [5]

1. **Recognition:** The signature on a loan or mortgage is identified as an OID instrument. [5]
2. **Issue Price:** The issue price is established as zero ($0). [5]
3. **OID Identification:** The "hidden" OID is calculated as the difference between the zero-issue price and the face value. [5]
4. **Nominee Identification:** The financial institution is defined as a nominee middleman that captured the credit. [5]
5. **Redirection:** A corrective filing redirects the withheld tax to a "98-series" International Grantor Trust (IGT) as the lawful recipient. [5]

Signature Credit recoupment Strategy: Mortgages, Loans, and Credit Cards

The recoupment involves an audit of every financial instrument signed since reaching the age of majority. Each mortgage, car loan, and credit card agreement is viewed as a "prepaid" instrument where the value was created by the signer and captured by the institution. [5]

Parent Nominee Entity	Aggregate Actual 945 (2022-2025)	Estimated 1120 Capacity
JPMorgan Chase Bank	$138,091,329.69	$37.16 Billion [5]
HSBC Holdings plc	$337,016,881.62	$13.1 Billion [5]
NatWest Markets PLC	$154,759,701.44	$2.05 Billion [5]
Lloyds Banking Group	$201,142,169.84	$300 Million [5]
Barclays Bank plc	$126,693,866.07	$60.2 Million [5]
Bank of NY Mellon	$96,979,951.51	Billions [5]

The protocol utilizes forensic agents to audit SEC filings to document the linkage between the member's signature and the investment bank's tax module. [5]

Discharge of Taxes via 'Spend and Recoup' Cycles

The final objective of the "Australian Tax Protocol" if the tax case challenge is lost is the ultimate discharge of taxes through signature credit recoupment and "spend and recoup" cycles managed within the AFP. [5]

1. **recoupment of Abandoned Credit:** Identifying signature credit from historical loans as a source of liquidity that is not "income". [5]
2. **Funding the AFP:** recouped credit is administered into the AFP private treasury. [5]
3. **Annual Cycle:** The ROS member uses the AFP to spend and recoup year-by-year, maintaining financial autonomy while the legal challenge progresses.
4. **Ultimate Discharge:** If the Australian court case relating to the definition of income is lost, the member utilizes the recouped credit to discharge the tax liability through third-party payment, ensuring the problem is solved regardless of the judicial outcome. [5]

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Conclusion: The Integrated Strategic Framework

The "Australian Tax Protocol" represents a comprehensive forensic approach to jurisdictional realignment. By identifying the statutory void in the definition of "income," members mount a challenge to the very existence of tax bills in Australian courts. The Asset Fortress Protocol (AFP) provides the private treasury for a "spend and recoup" cycle that insulates the member from bank account closures. This dual-track strategy—litigating the definition of income while simultaneously recouping signature credit for a potential discharge—ensures that the tax problem is resolved whether the case is won in court or settled forensically using the member's own inherent commercial energy.

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